

Old Age, Disability, Death

First laws: Numerous laws and decrees established separate pension systems for over 50 different occupations, superseded and unified by 1963 law. Self-employed, liberal professions, charcoal makers, and members of fishery cooperatives brought into consolidated system in 1964.

Current law: 1979.

Type of program: Social insurance system.

Exchange rate: U.S. \$1.00 equals 1 peso.

Coverage

All wage earners.

Special system for members of armed forces, Interior Ministry, self-employed, artists, and agricultural cooperatives.

Source of Funds

Insured person: None. (10% of earnings if self-employed.)

Employer: 14% of payroll.

Government: Makes up deficit and also contributes as employer. Above contributions also finance sickness and maternity and work-injury programs.

Qualifying Conditions

Old-age pension: Age 60 (men) or 55 (women) with 25 years of employment (55 and 50 if last 12 years or 75% of employment is in dangerous or arduous work).

Reduced pension, age 65 (men) or 60 (women) with 15 years of employment.

Retirement unnecessary, but total current income cannot exceed former income. Not payable abroad.

Disability pension: Full pension, physical or mental inability to work. Partial pension, inability to perform usual work. Employed when incapacity occurs if under age 23. If age 23 or over, number of years of employment needed to qualify increases with age. Partial pension at age 28 or older, requires 3 years of employment.

Survivor pension: Deceased was employed or pensioner at death, or employed within 6 months thereof and for 3/4 of adult life.

Old-Age Benefits

Old-age pension: 50% of average earnings (that portion of earnings above 3,000 pesos a year is reduced by 50%) during highest 5 of last 10 years, plus 1% of earnings for each year of employment beyond 25 years (1.5% if dangerous or arduous work). Increments of 1.5% to 4% for each year between the ages 60 and 65 for men and between the ages 55 and 60 for women for each year of deferred pension, 1% a year thereafter.

Reduced pension, 40% of average earnings, plus 1% of earnings for each year of employment beyond 15 years.

Minimum pension varies depending on level of average earnings and number of years of employment.

Minimum pension: 59 pesos per month or 79 pesos per month or 80% of wages, depending on average level of earnings and number of years of employment.

Maximum: 90% of average earnings.

Permanent Disability Benefits

Disability pension: 40% of average earnings (that portion of earnings above 3,000 pesos a year is reduced by 50%) during highest 5 of last 10 years, plus 1% of earnings per year of employment beyond 15 years.

Minimum and maximum pensions: Same as old-age pension.

Partial disability: 30% to 50% (40% to 60% in case of work injury or occupational disease) of lost earnings depending on number of years of employment up to 25 years, increased 1% for each year of employment above 25 years. During rehabilitation, 70% of former earnings.

If unable to find employment, 50% of former earnings in first year, 25% thereafter if disability is common; if disability is professional, 70%, and 35%, respectively.

Survivor Benefits

Survivor pension: If deceased was employed at time of death, pension will be 100% of earnings the first month and 50% for the next two months; if deceased was receiving a pension, then 100% of pension of insured for 3 months. Thereafter, 70%, 85%, or 100% of pension of insured for 1, 2, or 3 or more dependent survivors, respectively, (80%, 90%, or 100% if pension of insured is less than 60 pesos a month). Divided equally among eligible dependents.

Eligible dependents: Widow or female that had permanent relationship and is single, needy widower, or male that had permanent relationship and is single, age 60 or disabled, orphans under age 17 or disabled, and needy parents.

Maximum pension for working widow: 25% of survivor pension.

Nonworking widow under age 40 and without dependents receives full pension for 2 years. Widows age 40 or above who are unemployed receive complete pension.

Administrative Organization

Ministry of Labor and Social Security, administration of program through its Social Security and Social Assistance Directorate. Municipal social security offices and work centers process applications. Pensions paid through the Popular Savings Bank.

Sickness and Maternity

First law: 1934 (maternity benefits only).

Current laws: 1974 (maternity) and 1979 (sickness).

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems.

Coverage

Cash sickness benefits: Employed persons, members of agricultural cooperatives, and workers under special systems.

Cash maternity benefits: Employed persons, members of agricultural cooperatives and special systems.

Medical benefits: All residents.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same.

Government: Same. Also covers cost of medical services.

Qualifying Conditions

Cash sickness benefits: Currently employed.

Cash maternity benefits: Currently employed with 75 days of employment in the 12 months preceding maternity leave.

Medical benefits: Residence in country.

Sickness and Maternity Benefits

Sickness benefit: 60% of earnings (50% if hospitalized). Minimum benefit: 1.5 pesos a day (80% of earnings if wage is less than 1.65 pesos a day); maximum, 90% of earnings. Payable after 3-day waiting period until medical certification expires (new certification by a medical committee is required every 26 weeks) or disability pension granted.

Tuberculosis benefit: 100% of earnings until cured.

Maternity benefit: 100% of earnings, payable for 6 weeks before and 12 weeks after confinement.

Minimum benefit: 20 pesos a week.

Maternity social benefit: beginning 12 weeks after the birth, if the mother is unable to work because she has to care for the child, she receives a social security payment of 60% of earnings until the child is 6 months old.

Workers' Medical Benefits

Medical benefits: Free medical services provided to patients by public medical centers. Includes medical and dental care, maternity care, pre- and post-natal care, hospitalization, medicines during hospitalization, and rehabilitation. Provided until recovery. In work injury cases, also covers medicines when hospitalization not required and appliances.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for family head.

Administrative Organization

Ministry of Labor and Social Security, administration of program through its Social Security and Social Assistance Directorate. Work centers assume the costs and pay cash benefits. Ministry of Public Health supervises administration of medical services provided by public medical and hospital centers.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 80% of earnings (70% if hospitalized). Minimum and maximum benefits: Same as sickness benefit above. Payable from the first day of incapacity until medical certification expires (new certification by a medical committee is required every 26 weeks) or disability pension is granted.

Permanent Disability Benefits

Permanent disability pension: 50% of average earnings during highest 5 of last 10 years, plus 1% of earnings per year of employment beyond 25 years. Supplement for work injuries: 10% of pension.

Constant-attendance supplement of another person: 20% of pension.

Minimum and maximum pensions: Same as old-age pension above.

Provisions for partial disability.

Survivor Benefits

Survivor pension: Same as survivor pension above. Free burial services provided by the government for all residents.

Administrative Organization

Ministry of Labor and Social Security, administration of program through its Social Security and Social Assistance Directorate. Work centers assume the costs and pay short-term cash benefits. Ministry of Public Health supervises administration of medical services provided by public medical and hospital centers.

Family Allowances

(Dependents of young workers conscripted into military service are eligible for assistance from Social Security Fund.)

Work Injury

First law: 1916.

Current law: 1979 (in effect, 1980).

Type of program: Dual social insurance (cash benefits) and universal (medical care) systems.

Coverage

Employed persons and members of agricultural cooperatives, self-employed, artists, and civilian personnel of the Armed Forces and Ministry of the Interior.

Source of Funds

Insured person: See pension contributions above.

Employer: Same.

Government: Same.